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A BRIEF SURVEY OF THE TREATMENT OF ELECTRONICALLY STORED INFORMATION BY FEDERAL AGENCIES

Richard Dauphinais*

INTRODUCTION

Discovery involving electronically stored information (ESI) in federal court litigation has been a matter of extensive discussion in the legal community. Somewhat less examined has been the treatment of ESI by federal agencies. This article takes a look at how some agencies have addressed issues related to ESI.¹

By the late 1990s, federal court practitioners and judges had recognized that the increased use of computers was generating enormous amounts of ESI.² The increase in ESI, in turn, affected litigation because it “expanded exponentially” the “universe of discoverable material.”³ Prior to 2006, the federal courts dealt with the discovery of electronic data using rules of procedure⁴ and rules of evidence that had, for the most part, been formulated before the extensive growth in ESI.⁵ As the problems associated with

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1. The article does not address ESI disputes in federal court litigation involving federal agencies. Nor does it discuss ESI in the context of Freedom of Information Act, 5 U.S.C. § 552 (2012), controversies or in disputes relating to agency records management requirements. The focus here is on ESI decisions issued by federal agencies in adjudications and investigations.
2. See, e.g., Hon. Shira A. Scheindlin & Jeffrey Rabkin, *Electronic Discovery in Federal Civil Litigation: Is Rule 34 Up to the Task?*, 41 B.C. L. REV. 327, 328 (2000).
3. *Zubulake v. UBS Warburg LLC*, 217 F.R.D. 309, 311 (S.D.N.Y. 2003).
4. The Federal Rules of Civil Procedure were promulgated by the Supreme Court in 1937 pursuant to the Rules Enabling Act of 1934, presently codified at 28 U.S.C. §§ 2071–2077 (2012). They became effective in 1938. The Rules relating to discovery, Nos. 16, 26–37 and 45, were amended several times before 2006. See FED. R. CIV. P. 16, 26–37, 45 advisory committee’s notes.
5. HON. LEE H. ROSENTHAL, ADVISORY COMM. ON THE FED. RULES OF CIVIL PROCEDURE, REPORT OF THE CIVIL RULES ADVISORY COMMITTEE 20 (May 27, 2005), <http://www.uscourts.gov/rules-policies/archives/committee-reports/advisory-committee-rules-civil-procedure-may-2005> [hereinafter ADVISORY COMMITTEE REPORT]; COMM. ON RULES OF PRACTICE & PROCEDURE, REPORT OF THE JUDICIAL

attempting to manage ESI in discovery manifested themselves, the Judicial Conference began to investigate potential solutions.⁶ Ultimately, this culminated in the 2006 ESI amendments to Federal Rules 16, 26, 33, 34, 37, and 45.

The changes initially proposed by the Advisory Committee focused on providing “early attention” to ESI discovery, improving the discovery of ESI that was not easily accessible, and establishing a procedure for the post-production assertion of privileges.⁷ As amended, Rule 16 facilitates the management of ESI discovery by alerting judges to the possibility of discovery involving ESI.⁸ It allows judges to “assist in ensuring that the parties communicate and negotiate solutions to their discovery issues.”⁹ The changes to Rule 26(a) require parties to disclose, at the outset, ESI that may be used to support claims or defenses.¹⁰ The new Rule 26(f) calls on the parties to meet early in the litigation and to prepare a proposed discovery plan that includes their views and proposals on any issues regarding the disclosure and discovery of ESI.¹¹ Rule 26(b)(5) provides a procedure for the assertion of privilege as to materials inadvertently produced.¹² In addition, Rules 33 on the option to produce business records in response to interrogatories, and 34 on the production of documents, were revised to acknowledge the importance of ESI.¹³

CONFERENCE 23–25 (Sept. 2005), <http://www.uscourts.gov/rules-policies/archives/committee-reports/reports-judicial-conference-september-2005> [hereinafter JCUS REPORT].

6. JCUS REPORT, *supra* note 5, at 21–25.
7. ADVISORY COMMITTEE REPORT, *supra* note 5, at 18.
8. FED. R. CIV. P. 16 advisory committee’s note to 2006 amendment.
9. See MICHAEL R. ARKFELD, ARKFELD ON ELECTRONIC DISCOVERY AND EVIDENCE § 7.3(B) (3d ed. 2011).
10. FED. R. CIV. P. 26(a) advisory committee’s note to 2006 amendment; ARKFELD, *supra* note 9, § 7.4(A)(1).
11. FED. R. CIV. P. 26(f) advisory committee’s note to 2006 amendment; ARKFELD, *supra* note 9, § 7.4(K)(2).
12. ARKFELD, *supra* note 9, § 7.4(H)(6)(a). In 2008, Congress added Rule 502 to the Federal Rules of Evidence (FRE). The Rule limits the circumstances in which the inadvertent disclosure of material covered by the attorney-client privilege or work product protection will result in a waiver of the privilege or protection. Limiting waivers was seen to be necessary because of the increasing costs of discovery, particularly costs associated with ESI. FED. R. EVID. 502 advisory committee’s explanatory note (revised Nov. 28, 2007).
13. ARKFELD, *supra* note 9, §§ 7.6(B), 7.7(A)(1). The amended Rule 37 states, in subsection (e), that sanctions under the Federal Rules should not be applied for a failure to provide ESI that was lost because of the “routine, good-faith operation of an electronic information system” unless there were “exceptional circumstances.” FED. R. CIV. P. 37(e). Rule 45 deals with discovery sought from third parties through subpoenas. See *First Seaford Sur. v. Durkin & Devries Ins. Agency*, 918 F. Supp. 2d

The language of these Rules was refined in the years following 2006. The Rules have been interpreted and applied in any number of federal court decisions.

Federal agencies have also had to deal with the difficulties occasioned by ESI. Among other things, they adjudicate disputes and they gather information for regulatory purposes. ESI complicates both of those undertakings.

I. AGENCY PROCEEDINGS

Congress has given agencies many and varied assignments. As noted, these include holding hearings and resolving controversies relevant to their authorities, and researching and evaluating matters within their jurisdictions.

A. Agency Adjudications

The Executive Branch consists of cabinet-level agencies, independent agencies, government corporations, and independent regulatory commissions.¹⁴ In carrying out the work of the government, these organizations exercise authority delegated from Congress.¹⁵ Among other things, they promulgate rules and standards, grant or deny licenses and permits, determine eligibility for government benefits, and manage government resources and property.¹⁶

Congress has also authorized some agencies to resolve various kinds of disputes.¹⁷ Just as an example, it has, in the Longshoremen's

362, 382 (E.D. Pa. 2013). The Rule was modified in 2006 to reconcile it with the ESI changes made to Rules 26 and 34. See FED. R. CIV. P. 45 advisory committee's note to 2006 amendment; ARKFELD, *supra* note 9, § 7.10(B).

14. STEVEN J. CANN, ADMINISTRATIVE LAW 10–14 (4th ed. 2006).

15. JACK M. BEERMAN, INSIDE ADMINISTRATIVE LAW 6–8 (2011); CANN, *supra* note 14, at 4.

16. CANN, *supra* note 14, at 4, 10–14; BEERMAN, *supra* note 15, at 6–8.

17. While the language of Article III of the Constitution appears to limit the “Judicial Power of the United States” to the Supreme Court and other Article III courts, it has not been so interpreted. See, e.g., *Thomas v. Union Carbide Agric. Prods. Co.*, 473 U.S. 568, 583 (1985). The Supreme Court has not read Article III to preclude Congress from acting under Article I “to vest decisionmaking authority in tribunals that lack the attributes of Article III courts.” *Id.* at 583. That is, Article I of the Constitution permits Congress to “allocate . . . some amount of judicial power to agencies.” ALFRED C. AMAN, JR. & WILLIAM T. MAYTON, ADMINISTRATIVE LAW 122 (1993); see also *Thomas*, 473 U.S. at 583; BEERMAN, *supra* note 15, at 54–55. Cf. *Commodities Futures Trading Comm’n v. Schor*, 478 U.S. 833, 841–43 (1986).

and Harbor Workers' Compensation Act (LHWCA),¹⁸ set up a compensation system for certain maritime injuries. The Act allows workers or their representatives to file compensation claims with the Department of Labor (DOL) Division of Longshore and Harbor Workers' Compensation.¹⁹ If a claim is controverted or contested and there is no informal resolution, the matter is referred to a DOL administrative law judge (ALJ) for a hearing on the claim.²⁰

Where individual agencies have adjudicatory authority, they typically establish their own adjudication procedures.²¹ Whether those procedures should include discovery and, if they do, in what form, are issues that have been litigated. There appears to be general, albeit nuanced, agreement that, in most instances federal agencies have the discretion to deny or allow discovery and to prescribe its

18. 33 U.S.C. §§ 901–950 (2012).

19. *Id.* § 919(a); 20 C.F.R. § 702.221 (2015).

20. 33 U.S.C. § 919(c)–(d); 20 C.F.R. §§ 702.251–.252, 702.261–.262. Other examples of the many federal organizations that adjudicate matters are the Department of Housing and Urban Development (HUD) and the Civilian Board of Contract Appeals (CBCA).

In 42 U.S.C. § 3601, Congress declared that it is the policy of the United States to provide “fair housing throughout the United States.” Discrimination in the sale or rental of housing, in residential real estate-related transactions, and in the provision of brokerage services are prohibited. 42 U.S.C. §§ 3604–3606 (2012). Anyone alleging such discrimination may file a complaint asking that HUD pursue the matter, *id.* §§ 3610, 3612, or may file suit on their own. *Id.* § 3613. If proceeding under §§ 3610 and 3612, the complainant has the option to have the matter decided in federal district court or in HUD’s Office of Administrative Law Judges. *Id.* § 3612(a)–(b), (o). If the latter alternative is chosen, both discovery and the hearing are to be “conducted as expeditiously and inexpensively as possible” consistent with the need to find pertinent evidence and the obligation to hold a fair hearing. *Id.* § 3612(d).

The federal government enters into any number of contracts with private parties. Congress has waived the government’s immunity for contract claims in a variety of ways in order to provide private contractors with the means to seek redress from the government. GREGORY C. SISK ET AL., *LITIGATION WITH THE FEDERAL GOVERNMENT* 298–99 (4th ed. 2006). A relatively recent waiver is that included in the Contract Disputes Act (CDA), 41 U.S.C. §§ 7101–7109 (2012). Under the CDA, contractors submit claims to government contracting officers (COs) for decision and COs issue government claims decisions. *Id.* § 7103(a). Contractors may appeal adverse CO decisions to the United States Court of Federal Claims or the appropriate Board of Contract Appeals. *Id.* § 7104. The CBCA hears contract appeals from many executive agencies. *Id.* § 7105(e). CBCA judges may authorize discovery proceedings and issue subpoenas. *Id.* § 7105(f).

21. For instance, the procedural rules for DOL ALJ hearings in Longshore and Harbor Workers’ Compensation appeals are set out at 20 C.F.R. pt. 702; the rules for HUD ALJ hearings in fair housing appeals are at 24 C.F.R. pt. 180 (2014); and the Civilian Board CDA appeal procedures are at 48 C.F.R. pt. 6101 (2014).

form.²² In very general terms, courts have found that the Constitution and the Administrative Procedures Act (APA)²³ do not require discovery in agency adjudications.²⁴ Needless to say, an agency's enabling act or another federal statute may explicitly permit or require discovery as part of a particular agency's adjudications.²⁵ Further, an agency may, on its own, provide for discovery in the procedural rules for its adjudications.²⁶

A number of agencies permit some form of discovery in their adjudications although procedures vary.²⁷ ESI may come into play when parties seek the production of documents. I am not aware of any substantive statute on agency discovery that refers to ESI. The APA does not address it. However, some agency discovery rules explicitly refer to ESI.²⁸

22. *NLRB v. Valley Mold Co.*, 530 F.2d 693, 695 (6th Cir. 1976), *cert. denied*, 429 U.S. 824 (1976); *AMAN & MAYTON*, *supra* note 17, at 223.

23. 5 U.S.C. §§ 551–559 (2012).

24. *NLRB v. Interboro Contractors, Inc.*, 432 F.2d 854, 857–59 (2d Cir. 1970), *cert. denied*, 402 U.S. 915 (1971); *see also* *Citizens Awareness Network, Inc. v. United States*, 391 F.3d 338, 350 (1st Cir. 2004) (addressing formal adjudications); *Darrell Andrews Trucking, Inc. v. Fed. Motor Carrier Safety Admin.*, 296 F.3d 1120, 1134 (D.C. Cir. 2002) (addressing informal adjudications); JEFFREY B. LITWAK ET AL., A.B.A. SEC. ON ADMIN. LAW & REG. PRACTICE, A GUIDE TO FEDERAL AGENCY ADJUDICATION 57 (2d ed. 2012). *But see* *NLRB v. Vapor Blast Mfg. Co.*, 287 F.2d 402, 407–08 (7th Cir. 1961), *cert. denied*, 368 U.S. 823 (1961) (although the NLRB's restrictions on discovery did not violate due process on their face, their application in particular cases might be problematical). *Accord* *P.S.C. Res., Inc. v. NLRB*, 576 F.2d 380, 386–87 (1st Cir. 1978).

25. *See Interboro*, 432 F.2d at 857–59; *Darrell Andrews Trucking*, 296 F.3d at 1134; CHARLES H. KOCH, JR., ADMINISTRATIVE LAW AND PRACTICE § 5.40 (3rd ed. 2010).

26. *Interboro*, 432 F.2d at 858; *Hi-Tech Furnace Sys., Inc. v. FCC*, 224 F.3d 781, 790 (D.C. Cir. 2000).

27. *See, e.g.*, 42 U.S.C. § 3611(a) (2012); 24 C.F.R. § 180.500 (2015) (addressing discovery in HUD fair housing matters); 33 U.S.C. § 919(d) (2012); 29 C.F.R. §§ 18.1, 18.13–14 (2014) (discovery in DOL LHWCA matters); 37 C.F.R. § 2.120 (2014) (addressing discovery in the Trademark Trial and Appeal Board).

28. *See* CBCA Discovery Rule, 48 C.F.R. § 6101.13 (2014); U.S. PATENT & TRADEMARK OFFICE, TRADEMARK TRIAL AND APPEAL BOARD MANUAL OF PROCEDURE §§ 402.02, 406 (2015) [hereinafter TTAB MANUAL]; ITC Discovery Rule, 19 C.F.R. § 210.27 (2014). Other agency rules allude to ESI by making the Federal Rules of Civil Procedure applicable in discovery proceedings. *See, e.g.*, 37 C.F.R. § 2.116(a) (asserting this standard for cases in front of the Trademark Trial and Appeal Board). *Cf.* TTF, L.L.C., ASBCA No. 58494, 2013-1 BCA ¶ 35,343 (providing that in appropriate circumstances, and when its own rules do not address a matter, the Armed Services Board of Contract Appeals looks to the Federal Rules of Civil Procedure for guidance).

B. Agency Investigations

In order to effectively implement congressional policies, both to assess how successful the implementation has been, and to adjust as needed, agencies investigate and gather information.²⁹ They may compel regulated parties to keep certain records or they may undertake physical inspections.³⁰

Investigating agencies may also gather information by issuing subpoenas directing people to provide testimony, documentary evidence, or both. For instance, the Department of Transportation (DOT) has been given the responsibility to provide for the safe transportation of hazardous materials and to ensure the security of pipelines and pipeline facilities.³¹ Congress gave the Department license, in carrying out its responsibilities, to “investigate, . . . issue subpoenas, conduct hearings, require the production of records and property, [and] take depositions.”³² Other agencies also have leave to investigate and to issue subpoenas in doing so.³³

Such subpoenas will be enforced where the investigation has been authorized by Congress, the information sought is relevant to the investigation, and the procedural requirements have been met.³⁴ The person or entity served with a subpoena may challenge its enforcement on the grounds that complying would be an undue burden.³⁵ Undue burden is found only where compliance would seriously hinder or disrupt the normal operation of the subject’s business.³⁶ Just as in the discovery context, subpoenas seeking the production of documents could be complicated by ESI. I have not seen a statute relating to ESI and investigative subpoenas. The APA mentions subpoenas but not ESI.³⁷ Agency rules on subpoenas may reference matters relating to electronically stored information.³⁸

29. AMAN & MAYTON, *supra* note 17, at 704–05; CANN, *supra* note 14, at 185–86.

30. AMAN & MAYTON, *supra* note 17, at 704–05; CANN, *supra* note 14, at 183–95; WILLIAM R. ANDERSON, *MASTERING ADMINISTRATIVE LAW* 205–17 (2010).

31. *See generally* 49 U.S.C. §§ 5101–5128, 60101–60137 (2012).

32. *Id.* § 5121(a); *see also id.* § 60117(a).

33. *See, e.g.*, 29 U.S.C. §§ 160–161 (2012) (National Labor Relations Board); 15 U.S.C. §§ 46(a), 49 (2012) (Federal Trade Commission); 19 U.S.C. §§ 1333(a), 1337(b) (2012) (International Trade Commission); 16 C.F.R. § 2.7 (2015) (Federal Trade Commission).

34. *See United States v. Powell*, 379 U.S. 48, 57–58 (1964).

35. LITWAK ET AL., *supra* note 24, at 68.

36. *See, e.g.*, *EEOC v. Bay Shipbuilding Corp.*, 668 F.2d 304, 313 (7th Cir. 1981).

37. Section 6 of the APA provides for the issuance of subpoenas in administrative proceedings and speaks to judicial enforcement of such subpoenas. 5 U.S.C. § 555(d) (2012); *see also* § 556(c)(2) (authorizing “employees presiding at hearings” to “issue subpoenas authorized by law”). Section 6 was enacted “to make agency subpoenas

II. AGENCY ESI DECISIONS

In the course of carrying out their adjudicative and investigative responsibilities, agencies have addressed issues raised by the presence of ESI. A few of the agency decisions involving ESI are discussed below.³⁹

*A. Frito-Lay North America, Inc. v. Princeton Vanguard, LLC*⁴⁰
United States Patent and Trademark Office
Trademark Trial and Appeal Board

In this case, Princeton Vanguard, LLC applied for a Principal Register registration for “PRETZEL CRISPS” in standard characters and for “Pretzel crackers” with “PRETZEL” disclaimed “under Section 2(f).”⁴¹ Presumably, the reference is to § 2(f) of the Trademark Act of 1946 (Trademark Act).⁴² Frito-Lay opposed the requested registration asserting, among other things, that the marks sought to be registered were generic and not distinctive.⁴³ On the same grounds, it also petitioned for cancellation of an existing Supplemental Registration for a similar mark.⁴⁴

Under the Trademark Act, a mark that has “become distinctive of the applicant’s goods in commerce” may be listed on the Principal Register.⁴⁵ The Act also provides that a person who believes he would be harmed by such registration may file an opposition with

[sic] available to private parties to the same extent as to agency representatives.” U. S. DEP’T OF JUSTICE, ATTORNEY GENERAL’S MANUAL ON THE ADMINISTRATIVE PROCEDURE ACT 67 (1947). It does not appear that the Section was intended to change “the scope of judicial inquiry upon an application for the enforcement of a subpoena [sic].” *Id.* at 69.

38. The Federal Rules of Civil Procedure address subpoenas in Rule 45. Rule 45 “does not apply to the enforcement of subpoenas issued by administrative officers and commissions.” FED. R. CIV. P. 45 advisory committee’s note to 1937 adoptions.

39. The distinction made in this article between adjudications and investigations is somewhat artificial. A proceeding may start as an investigation and result in an adjudication. An investigation may coincide with a related adjudication. Or, an agency may treat an investigation like an adjudication (i.e. allow the subject of the investigation to obtain what the agency terms or what is, in effect, discovery). In addition, subpoenas, which are one of the main tools in investigations, may also be used in discovery.

40. *Frito-Lay N. Am., Inc. v. Princeton Vanguard, LLC*, 100 U.S.P.Q.2d (BNA) 1904 (T.T.A.B. 2011).

41. *Id.* at 1905.

42. 15 U.S.C. § 1052(f) (2012).

43. *Frito-Lay*, 100 U.S.P.Q.2d (BNA) at 1905.

44. *Id.*

45. 15 U.S.C. § 1052(f).

United States Patent and Trademark Office (USPTO or Office).⁴⁶ When an opposition or request to cancel, is filed, the Director of the USPTO is authorized to convene a Trademark Trial and Appeal Board (TTAB or Board) to hear and determine the matter.⁴⁷

Congress empowered the USPTO to promulgate regulations governing its proceedings.⁴⁸ The Office did so for trademark cases issuing the Rules of Practice (Rules) for such proceedings.⁴⁹ In an opposition proceeding, the Rules provide that the opposer is in the position of a plaintiff, its opposition corresponds to a complaint in a court proceeding, and the applicant is in the position of a defendant, its answer to the opposition corresponds to an answer.⁵⁰ The Board assigns "testimony periods" at which evidence is presented by taking what are referred to as depositions.⁵¹ Finally, there is an oral hearing that is analogous to "oral summation" in a court proceeding.⁵² "Except as otherwise provided, and whenever applicable and appropriate, procedure and practice in *inter partes* proceedings shall be governed by the Federal Rules of Civil Procedure."⁵³

The Trademark Rules set out in a fairly detailed manner how discovery is to proceed in opposition and other proceedings.⁵⁴ The Federal Rules of Civil Procedure apply "[w]henever appropriate" and "except as otherwise provided in this section."⁵⁵ The parties are required to hold an early discovery conference and discuss the subjects set out in Fed. R. Civ. P. 26(f).⁵⁶ Among other things, Rule 26(f) requires the parties to develop a proposed discovery plan.⁵⁷ As in the Federal Rules, § 2.120 provides for initial disclosures, expert

46. *Id.* § 1063.

47. *Id.* § 1067(a). The Trademark Trial and Appeal Board includes the Director of the USPTO, the Deputy Director of the USPTO, the Commissioner for Trademarks, and administrative trademark judges appointed by the Director. *Id.* § 1067(b).

48. 35 U.S.C. § 2(b)(2)(A) (2012).

49. 37 C.F.R. §§ 2.1–2.209 (2014).

50. *Id.* § 2.116(b)–(c).

51. *Id.* § 2.116(d)–(e).

52. *Id.* § 2.116(f).

53. *Id.* § 2.116(a). The Rules of Practice also state that the rules of evidence to be used in TTAB proceedings are the Federal Rules of Evidence, relevant provisions of the Federal Rules of Civil Procedure, pertinent sections of Title 28 of the United States Code, and the provisions of Part 2 of Title 37 of the Code of Federal Regulations. *Id.* § 2.122(a).

54. *Id.* § 2.120.

55. *Id.* § 2.120(a)(1).

56. *Id.* § 2.120(a)(2).

57. *See id.*; FED. R. CIV. P. 26(f).

testimony disclosures, discovery depositions, interrogatories, requests for production, and motions to compel.⁵⁸

Frito-Lay (opposer) and Princeton Vanguard (applicant or Princeton) held a discovery conference in July 2009.⁵⁹ They agreed that ESI would be produced in Portable Document Format (PDF), but were not able to agree on other aspects of ESI discovery.⁶⁰ In their first discovery requests, both parties sought the production of ESI.⁶¹ Applicant stated that in responding to Frito-Lay's requests it had incurred over \$200,000 in fees related to electronic discovery during 2010, and that it anticipated dealing with "tens of thousands" of additional documents and spending an additional \$100,000 in 2011.⁶² Applicant also asserted that opposer's production did not include any emails or, aside from a summary spreadsheet and list of trademarks, any internal non-public documents.⁶³

Princeton and Frito-Lay met to discuss Princeton's concern that Frito-Lay's production of ESI was inadequate because opposer had not conducted "attorney-managed electronic data retrieval and search."⁶⁴ Frito-Lay maintained that its search efforts had been reasonable in that it had identified document custodians and requested that they search their files and computers.⁶⁵ The cost of searches supervised by attorneys would be \$70,000 to \$100,000, which exceeded the benefit that might derive from that course of action.⁶⁶ Opposer also declined to employ forensic imaging of its computers.⁶⁷ Frito-Lay did acknowledge that industry usage and

58. 37 C.F.R. § 2.120. The USPTO prepared the TTAB Manual of Procedure to provide stakeholders and practitioners with general information about litigating cases before the TTAB. *Introduction* to TTAB MANUAL, *supra* note 28. It "does not modify, amend, or serve as a substitute for any existing statutes, rules, or decisional law and is not binding upon the Board, its reviewing tribunals, the Director, or the USPTO." *Id.* Chapter 400 of the TTAB Manual deals with discovery. Among other things, Sections 402 and 406 discuss the discovery of ESI. Section 408 deals with the duty of the parties to cooperate in discovery, search records, and supplement responses to discovery requests.

59. *Frito-Lay N. Am., Inc. v. Princeton Vanguard, LLC*, 100 U.S.P.Q.2d (BNA) 1904, 1905 (T.T.A.B. 2011).

60. *Id.*

61. *Id.*

62. *Id.* at 1906.

63. *Id.*

64. *Id.*

65. *Id.*

66. *Id.*

67. *Id.*

meaning of the term “pretzel crisps” was relevant to determining whether Princeton’s trademark was generic or simply descriptive.⁶⁸

Applicant moved to compel additional discovery from Frito-Lay.⁶⁹ It argued that it had been prejudiced in its ability to dispute the opposition because Frito-Lay had failed to carry out an “attorney-supervised ESI retrieval.”⁷⁰ Opposer’s reliance on custodian searches had clearly been insufficient; Princeton had conducted attorney-supervised collection, and had already spent much more on document production than Frito-Lay now said would be too much for it to spend.⁷¹ Lastly, Princeton asserted that it was entitled to discovery concerning opposer’s assessment of the pretzel cracker market, its examination of the Pretzel Crisps mark, and the names and terms it used.⁷² Frito-Lay characterized applicant’s production as a document dump and criticized Princeton for not attempting to work with it to avoid excessive costs.⁷³ Opposer stated that it had identified nineteen custodians who had been given search terms keyed to Princeton’s requests.⁷⁴ The information that might be obtained with forensic imaging of opposer’s computers was not reasonably accessible because applicant’s claims related to applicant’s mark which Frito-Lay had not used or considered using.⁷⁵ Applicant’s requests did not relate to whether its mark was generic or descriptive but to “competitive business issues” between the parties.⁷⁶

The TTAB addressed Princeton’s motion to compel in a decision by an Interlocutory Attorney.⁷⁷ Initially, the decision noted both, as Frito-Lay had urged, that Board proceedings were generally narrower in scope than court proceedings and that discovery could be limited if it entailed an undue burden or cost, and, as Princeton had urged, that, despite the limited jurisdiction of the Board, ESI was subject to discovery where appropriate and that the case appeared to be

68. *Id.*

69. *Id.* at 1905.

70. *Id.* at 1906.

71. *Id.*

72. *Id.* at 1906–07.

73. *Id.* at 1907.

74. *Id.*

75. *Id.*

76. *Id.*

77. *Id.* at 1905. Under the Rules of Practice, “[i]nterlocutory motions, requests, and other matters not actually or potentially dispositive of a proceeding may be acted upon by a single Administrative Trademark Judge of the [TTAB] or by an Interlocutory Attorney of the Board to whom authority so to act has been delegated.” 37 C.F.R. § 2.127(c) (2014).

significant to both parties.⁷⁸ Addressing the Princeton assertion that opposer's production was generally deficient, the Board ruled against applicant.⁷⁹ Citing federal case law, the Federal Rules of Civil Procedure, the Sedona Principles⁸⁰ on electronic document production, and the TTAB Rules of Practice, the Board found nothing that specified how extensive a party's production of ESI had to be.⁸¹ Further, the parties had not reached a discovery agreement specifying how ESI would be searched and produced.⁸² For those reasons, Frito-Lay would not be required to restart its document search and production using methods like those that had been used by Princeton.⁸³

The Board found additional support for its ruling in the concept of proportionality (the burden of discovery should be proportional to the amount in controversy and to the nature of the dispute) that had been endorsed by federal courts and The Sedona Conference.⁸⁴ It also said that its decision was consistent with the model order on ESI discovery (which was intended for use in federal district court patent cases) that had been prepared by the Advisory Council for the United States Court of Appeals for the Federal Circuit.⁸⁵ And, despite Princeton's complaint that opposer had produced very little ESI,

78. *Frito-Lay*, 100 U.S.P.Q.2d (BNA) at 1907–08.

79. *Id.* at 1908–09.

80. Per its web site, The Sedona Conference (TSC) is a “research and educational institute dedicated to the advanced study of law and policy in the areas of antitrust law, complex litigation, and intellectual property rights.” TSC, <http://www.thesedonaconference.org> (last visited Mar. 31, 2016). TSC focuses on particular fields of law through Working Groups. *Id.* The first TSC Working Group has addressed and continues to address issues arising in the discovery of ESI. *TSC Working Group Series*, TSC, <http://www.thesedonaconference.org/wgs> (last visited Mar. 31, 2016). It has published a number of papers on such discovery including the Sedona Principles cited by the TTAB. *Id.*; see also *Frito-Lay*, 100 U.S.P.Q.2d (BNA) at 1908.

81. *Frito-Lay*, 100 U.S.P.Q.2d (BNA) at 1908.

82. *Id.*

83. *Id.*

84. *Id.*

85. *Id.* The model order was previously available on the Federal Circuit's website, but has been removed with disclaimers that neither the court nor its Advisory Council endorse model orders. *Advisory Council*, U.S. CT. OF APP. FOR THE FED. CIRCUIT, <http://www.cafc.uscourts.gov/the-court/advisory-council> (last visited Mar. 31, 2016); *Model Orders*, U.S. CT. OF APP. FOR THE FED. CIRCUIT, http://www.cafc.uscourts.gov/sites/default/files/model_orders.pdf (last visited Mar. 31, 2016). A variation of the model order is available at the “Forms and Applications” page of the United States District Court for the Eastern District of Texas web site. *Forms and Applications, Form Orders*, U.S. DIST. CT. FOR THE E. DIST. OF TEX., <http://www.txed.uscourts.gov/page1.shtml?location=forms> (last visited Mar. 31, 2016).

applicant had not shown that Frito-Lay actually had, or even that it likely had, relevant ESI that had not been produced.⁸⁶

This matter involved a trademark proceeding and a discovery dispute between private parties. The parties argued about the proper method of searching for and producing ESI. In resolving the dispute, the agency did not mention any substantive statutes addressing the issue. Nor did the Interlocutory Attorney indicate that he thought that the APA applied to the specific disagreement at hand. Despite an acknowledgment that discovery in the TTAB was different from discovery in the courts, the Attorney looked to the Federal Rules of Civil Procedure and to the Sedona Principles and noted that the parties had not been able to reach agreement on many aspects of the discovery process.⁸⁷ He also stated that requiring Frito-Lay to restart its document production would violate the doctrine of proportionality (likewise a concept that had been promoted by The Sedona Conference and used in the federal courts).⁸⁸ Further, denying the motion to compel was consistent with the TTAB Rules and Manual.⁸⁹

86. *Frito-Lay*, 100 U.S.P.Q.2d (BNA) at 1909. With respect to certain specific Princeton requests for discovery, the Board went on to find that the information sought was relevant and that its importance to the adjudication outweighed the burden and expense of producing it. *Id.* at 1910. This information, including any ESI, had to be produced by Frito-Lay. *Id.*

87. *See supra* notes 80–83 and accompanying text.

88. *See supra* note 84 and accompanying text. Both before and after the *Frito-Lay* decision was issued, the principle of proportionality was widely used in the analysis of ESI issues. The principle has been explicitly codified in the December 2015 amendments to the Federal Rules of Civil Procedure. FED. R. CIV. P. 26(b)(1) (effective Dec. 1, 2015) now defines the scope of available discovery to include “any nonprivileged matter that is relevant to any party’s claim or defense and proportional to the needs of the case, considering the importance of the issues at stake in the action, the amount in controversy, the parties’ relative access to relevant information, the parties’ resources, the importance of the discovery in resolving the issues, and whether the burden or expense of the proposed discovery outweighs its likely benefit.”

89. Following a hearing on the merits, the TTAB ruled for Frito-Lay granting its petition to cancel Princeton’s Supplemental Registration and sustaining its opposition to Princeton’s application for registration on the Principal Register. *Frito-Lay N. Am., Inc. v. Princeton Vanguard, LLC*, 109 U.S.P.Q. 2d (BNA) 1949, 1960 (T.T.A.B. 2014), *vacated*, 786 F.3d 960 (Fed. Cir. 2015). On appeal, the Federal Circuit found that the TTAB had used the wrong standard for “genericness,” vacated the Board’s decision, and remanded for further proceedings. *See* 786 F.3d at 971.

*B. In the Matter of Progress Energy Florida, Inc.*⁹⁰
Nuclear Regulatory Commission
Atomic Safety and Licensing Board

In 2008, Progress Energy Florida, Inc. (PEF or Progress) filed a combined license application with the Nuclear Regulatory Commission (NRC or Commission).⁹¹ The application sought permission to build and operate Units 1 and 2 of the Levy Nuclear Plant (LNP) in Levy County, Florida.⁹² It included an Environmental Report.⁹³ The NRC issued a notice that it or an Atomic Safety and Licensing Board would hold a hearing on the application, that the NRC would prepare a technical review and an environmental impact statement, and that any person who might be affected by the proceeding and who wanted to participate as a party must petition to intervene within 60 days.⁹⁴

The application was submitted under Sections 103 and 185(b) of the Atomic Energy Act⁹⁵ and 10 C.F.R. Part 52 Subpart C.⁹⁶ Section 103 authorizes the Commission to issue licenses for facilities engaged in the utilization or production of nuclear material for commercial or industrial purposes.⁹⁷ Section 185(b) states that an applicant that has been granted a construction permit should, after a public hearing⁹⁸ and a proper showing, be granted a combined construction and operating license.⁹⁹ Part 52, Subpart C of 10 C.F.R. elaborates on the requirements for a combined license.¹⁰⁰

90. Progress Energy Fla., Inc., 72 N.R.C. 692 (2010).

91. *Id.* at 698.

92. *Id.*

93. *Id.*

94. Progress Energy Fla., Inc., 73 Fed. Reg. 74,532, 74,535 (Nuclear Regulatory Comm'n Dec. 8, 2008) (notice).

95. Atomic Energy Act §§ 103, 185, 42 U.S.C. §§ 2133, 2235(b) (2012) (original version at ch. 1073, §§ 103, 185, 68 Stat. 936, 955 (1954)).

96. 10 C.F.R. § 52.75 (2015); *Levy Nuclear Plant Units 1 and 2 COL Application, Part I, General and Financial Information, Revision 0*, U.S. NUCLEAR REG. COMM'N 1.1, <http://pbadupws.nrc.gov/docs/ML0822/ML082260520.pdf> (last visited Mar. 31, 2016).

97. Atomic Energy Act § 103, 42 U.S.C. § 2133.

98. Section 189(a) provides that the NRC shall grant a hearing on the request of any person "whose interest may be affected by the proceeding, and shall admit any such person as a party to such proceeding." Atomic Energy Act § 189(a), 42 U.S.C. § 2239(a)(1)(A) (original version at ch. 1073, §185, 68 Stat. 955–56 (1954)).

99. Atomic Energy Act § 185, 42 U.S.C. § 2235(b).

100. *E.g.*, 10 C.F.R. §§ 52.77, 52.79. Section 181 of the Act provides that the APA applies to agency action taken under the Atomic Energy Act and that the terms "agency" and "agency action" have the meanings set out in the APA. The terms are defined in 5

Part 2, Subparts C and L, of 10 C.F.R. deal with adjudications under the Atomic Energy Act.¹⁰¹ Subpart C sets out rules of general applicability for such adjudications.¹⁰² Subpart L presents simplified hearing procedures for adjudications excluding certain types not relevant here.¹⁰³ The latter subpart prohibits parties from seeking discovery from each other except as allowed in Subpart C.¹⁰⁴ Subpart C requires that all non-NRC parties to an adjudication provide specified disclosures within thirty days of an order granting a hearing and update those disclosures on a monthly basis.¹⁰⁵ Relevant to the PEF case, subsection (a) requires the disclosure of "all documents and data compilations in the possession, custody, or control of the party that are relevant to the contentions."¹⁰⁶

In early March 2009, the NRC established an Atomic Safety and Licensing Board (ASLB or Board) to preside over the proceeding.¹⁰⁷ At about the same time, the Green Party of Florida, the Ecology Party of Florida, and the Nuclear Information and Resource Service (Intervenors) petitioned to intervene in the proceeding.¹⁰⁸ On July 8, 2009, the Board granted the petition.¹⁰⁹ The Board admitted three of the Intervenors' contentions.¹¹⁰ As restated, Contention 4 asserted that PEF's Environmental Report did not comply with 10 C.F.R. Part 51 because it did not adequately address and inappropriately characterized as "SMALL, certain direct, indirect, and cumulative impacts, onsite and offsite, of constructing the proposed LNP

U.S.C. § 551(1), (13) (2012). As discussed above, it does not appear that the provisions of the APA impact the discovery of ESI.

101. 10 C.F.R. §§ 23.00, 2.1200.

102. *Id.* § 2.300.

103. *Id.* § 2.1200.

104. *Id.* § 2.1203(d).

105. *Id.* § 2.336(a), (d). Subsection 2.336(g) reiterates that these disclosures are the sole means of discovery allowed for proceedings under 10 C.F.R. Part 2 except in certain instances not present here.

106. *Id.* § 2.336(a)(2)(i).

107. Progress Energy Fla., Inc., 74 Fed. Reg. 9,113 (Nuclear Regulatory Comm'n Mar. 2, 2009) (notice). Section 191 of the Act allows the NRC to set up Boards "to conduct such hearings as the Commission may direct and make such intermediate and final decisions as the Commission may authorize" as to granting any license or authorization under the Act. Atomic Energy Act § 191(a), 42 U.S.C. § 2241(a) (2012) (original version at Pub. L. 87-615, § 191(a), 76 Stat. 409 (1962)). See also 10 C.F.R. § 2.321.

108. Progress Energy Florida, Inc., 70 N.R.C. 51, 67 (2009), *aff'd in part, rev'd in part*, 71 N.R.C. 27 (2010).

109. *Id.* at 147.

110. *Id.* at 67.

facility.”¹¹¹ Specifically mentioned were impacts to wetlands, floodplains, special aquatic sites, and other waters as a result of dewatering, salt drift, and salt deposition.¹¹² The Intervenor also contended that the Report did not adequately identify and inappropriately characterized as “SMALL” the project’s zone of environmental impacts as well as the project’s zone of appropriate mitigation measures.¹¹³

As part of its September 2009 opening disclosure, Progress provided a groundwater report pertinent to Contention 4 that had been prepared by its consultant CH2M Hill (Report 74).¹¹⁴ The report documented simulated hydrologic impacts from the use of groundwater for the LNP.¹¹⁵ In preparing the report, CH2M Hill developed a groundwater flow model and then revised it based upon questions from the Southwest Florida Water Management District (SWFWMD).¹¹⁶ A later supplement to PEF’s disclosures included a revised CH2M Hill groundwater report (Report 123).¹¹⁷ This report was, in part, based on a revision of the model used in Report 74.¹¹⁸ On August 5, 2010, the NRC issued a draft environmental impact statement (DEIS) on the Progress application.¹¹⁹ The DEIS discussed the anticipated impacts of the LNP on water and groundwater, and mentioned the models used by PEF and CH2M Hill.¹²⁰

In September 2010, the Intervenor filed a motion to compel Progress “to produce the revised groundwater model . . . and any other water-related models referred to in the DEIS and/or relied upon by the NRC in drawing their conclusions regarding groundwater use.”¹²¹ They sought “all water-related computer models, input files and reports, parameters, input data, boundary conditions, assumptions, and all iterations and results, in a model-ready digital format.”¹²² The Intervenor argued that PEF’s models were needed in order to determine if the models were properly calibrated and

111. *Id.* at 149.

112. *Id.*

113. *Id.*

114. Progress Energy Florida, Inc., 72 N.R.C. 692, 698–99 (2010).

115. *Id.* at 699.

116. *Id.*

117. *Id.*

118. *Id.*

119. *Id.* at 699–700.

120. *Id.* at 700.

121. *Id.*

122. *Id.*

accurate.¹²³ The Intervenor also stated that PEF's results could not be verified "without access to the digital model files of the various iterations of model runs."¹²⁴ In response, Progress claimed that the motion was not timely.¹²⁵ It also asserted that some of the information requested was available publicly.¹²⁶ Finally, it contended that the computer models were in the possession and custody of CH2M Hill, and that it would be unduly burdensome and costly to obtain them from the consultant.¹²⁷

The ASLB granted the Intervenor's motion to compel.¹²⁸ It first noted that the mandatory disclosure regulation¹²⁹ had been issued as a part of an agency change to an informal adjudicatory proceeding in 2004 for certain adjudications, and had been based on parallel requirements in the Federal Rules of Civil Procedure.¹³⁰ The idea behind the change was that mandatory disclosures would reduce the need for other more costly discovery practices and, conceivably, lessen protracted litigation over discovery.¹³¹ The Board initially found that the reference to "documents" and "data compilations" in 10 C.F.R. § 2.336(a)(2)(i) included computer models (whether ESI or not), the underlying data used in computer analysis or simulation, the programs and programming methods, the software that embodied the computer program, and the inputs and outputs that made up the model.¹³² The Board then ruled that such materials were relevant to Contention 4 which challenged the adequacy of PEF's Environmental Report.¹³³

Progress argued that the information sought was not in its "possession, custody, or control."¹³⁴ The Board noted that this phrase was not defined in the NRC regulations and had not been interpreted in an NRC decision.¹³⁵ Therefore, the ASLB looked to explications

123. *Id.*

124. *Id.*

125. *Id.* at 701.

126. *Id.*

127. *Id.*

128. *Id.* at 716.

129. 10 C.F.R. § 2.336 (2015).

130. *Progress Energy*, 72 N.R.C. at 702. The informal procedures apply to all proceedings except those under 10 C.F.R. Part 2, subparts G and J. See 10 C.F.R. §§ 2.336(a), 2.1200.

131. *Progress Energy*, 72 N.R.C. at 702-03.

132. *Id.* at 703-04.

133. *Id.* at 705-06.

134. *Id.* at 706.

135. *Id.*

of the same phrase as used in the Federal Rules of Civil Procedure.¹³⁶ As federal courts noted, the phrase was disjunctive so neither legal ownership of the materials nor actual possession was required if a party had control of them.¹³⁷ The concept of control was broad enough to include circumstances where a party has “*the practical ability to obtain materials in the possession of another*, even if the party does not have the legal right to compel the other person or entity to produce the requested materials.”¹³⁸ Progress claimed that although CH2M Hill had been engaged to prepare Reports 74 and 123, it was not required to provide PEF with copies of the modeling work that the reports were based on.¹³⁹ It did, however, concede that it could obtain the models and supporting information from the consultant, that it had the right to audit and review the information, and that it could negotiate with CH2M Hill to allow the Intervenor’s expert to access the material.¹⁴⁰ Based on those facts, the Board ruled that the information requested by the Intervenor was in PEF’s control for purposes of 10 C.F.R. § 2.336(a)(2)(i).¹⁴¹

Progress subsequently maintained that it should not be required to produce the material because it would be too “burdensome and costly” to obtain from CH2M Hill.¹⁴² PEF’s assertion was based on a provision in an Initial Scheduling Order (ISO) stating that parties need not disclose information not reasonably accessible because of burden or cost.¹⁴³ The Board found that the ISO provision addressed the cost of searching for ESI, not the cost of producing it.¹⁴⁴ Any suggestion that the material was proprietary was unavailing because the Board had entered an order protecting information claimed to be proprietary from disclosure outside the NRC.¹⁴⁵ Although the cases cited by the Intervenor involved discovery in federal courts under the Federal Rules of Civil Procedure, those Rules were similar to and helpful in interpreting 10 C.F.R. § 2.336.¹⁴⁶ The fact that it might cost PEF \$30,000 to obtain the material from CH2M Hill was not

136. *Id.* at 706–07.

137. *Id.* at 707.

138. *Id.* at 707–08.

139. *Id.* at 709.

140. *Id.*

141. *Id.* at 709–10.

142. *Id.* at 712.

143. *Id.*

144. *Id.*

145. *Id.* at 713.

146. *Id.*

undue given what was at stake in the proceedings.¹⁴⁷ Finally, the Board noted that Progress had admitted the models were maintained under a quality assurance program and they would have been available to NRC staff for inspection or review.¹⁴⁸ Thus, the Board rejected PEF's argument that mandatory disclosure of the material was "unduly burdensome or costly."¹⁴⁹

In this license application proceeding, private parties opposing the application filed a motion to compel discovery from the applicant.¹⁵⁰ At issue were computer models and associated materials.¹⁵¹ The Board relied on an agency rule, 10 C.F.R. § 2.336, in granting the motion.¹⁵² The rule required the disclosure of certain "documents and data compilations" in these proceedings.¹⁵³ Essentially, the parties argued about whether the models and materials at issue were covered by the rule.¹⁵⁴ The Board relied on the Federal Rules of Civil Procedure and cases decided under the Federal Rules in ruling that the documents required to be disclosed included ESI, that the models and other materials were in the applicant's control although not in its possession, and that the cost of obtaining the models and other materials was not excessive in the context of this case.¹⁵⁵

*C. CNN America, Inc. and Team Video Services, LLC, et al.*¹⁵⁶
National Labor Relations Board

The National Association of Broadcast Employees & Technicians, Communications Workers of America, Locals 31 and 11, AFL-CIO (Unions) represented employees of Team Video Services, L.L.C. in Washington, D.C. and Team Video Services of New York in New York City (collectively referred to as Team Video).¹⁵⁷ Team Video employees worked at CNN America, Inc. bureaus in Washington and New York.¹⁵⁸ In late 2003 and early 2004, CNN ended its contracts with Team Video and directly hired people to do camera, studio, and

147. *Id.*

148. *Id.* at 714.

149. *Id.*

150. *Id.* at 700.

151. *Id.*

152. *Id.* at 698, 704, 716.

153. *Id.* at 698.

154. *Id.* at 700-01.

155. *Id.* at 700-01, 703, 709-10, 712, 714.

156. CNN Am., Inc., N.R.L.B. Nos. 5-CA-31828 and 5-CA-33125, JD-60-08, 2008 WL 6524258 (Nov. 19, 2008).

157. *Id.* at 2.

158. *Id.* at 3.

engineering work at the Washington and New York bureaus.¹⁵⁹ The Unions filed unfair labor practice charges against CNN and Team Video with the National Labor Relations Board (NLRB or Board).¹⁶⁰

The National Labor Relations Act (Act) states that the following employer activities, among others, will be considered unfair labor practices: interfering with, restraining, or coercing employees who are exercising their right to self organize, to form a labor organization, or to collectively bargain; discriminating “in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization;” refusing to bargain collectively with the representatives of employees.¹⁶¹ The NLRB, or a Board designee, is authorized to prevent any person from engaging in unfair labor practices.¹⁶² The investigation of charges under 29 U.S.C. § 160, the issuance of complaints, and the prosecution of complaints before the Board are in the hands of the NLRB General Counsel.¹⁶³ The Board is authorized to issue subpoenas compelling the attendance and testimony of witnesses and the production of any evidence.¹⁶⁴ Subpoenas may be revoked if the information sought is not relevant to the proceedings or if the subpoena does not describe what is sought with “sufficient particularity.”¹⁶⁵

Section 6 of the Act authorizes the Board to promulgate “such rules and regulations as may be necessary to carry out the provisions” of the Act.¹⁶⁶ The Board’s regulations provide that hearings be conducted in conformity with “the rules of evidence applicable in the district courts of the United States” and “under the rules of civil procedure for the district courts of the United States.”¹⁶⁷ They allow for the issuance of subpoenas compelling the testimony of witnesses and the production of evidence.¹⁶⁸ Persons served with a subpoena may petition for revocation of the subpoena.¹⁶⁹ Such a petition should be granted if “the evidence whose production is required does not relate to any matter under investigation or in question in the

159. *Id.* at 2.

160. *Id.* at 3.

161. 29 U.S.C. § 158(a)(1), (3), (5) (2012).

162. *Id.* § 160(a).

163. *Id.* § 153(d).

164. *Id.* § 161(1)–(2).

165. *Id.* § 161(1).

166. *Id.* § 156.

167. 29 C.F.R. § 102.39 (2014).

168. *Id.* § 102.31(a).

169. *Id.* § 102.31(b).

proceedings or the subpoena does not describe with sufficient particularity the evidence whose production is required, or if for any other reason sufficient in law the subpoena is otherwise invalid.”¹⁷⁰

The NLRB General Counsel issued a consolidated complaint in April 2007 and submitted an extensive subpoena *duces tecum* to CNN in August 2007.¹⁷¹ The Unions also requested documents including ESI from CNN.¹⁷² In November 2007, NLRB ALJ Amchan opened a hearing on the merits of the complaint.¹⁷³ CNN asked the judge to revoke the subpoenas, but he declined to do so.¹⁷⁴ CNN then requested permission to appeal the denial arguing that the requests were too broad and unreasonably burdensome, that they sought irrelevant information, and that some of the documents sought were privileged.¹⁷⁵ CNN also maintained that the subpoenas did not comply with the Federal Rules of Civil Procedure and did not conform to the Sedona Principles on ESI.¹⁷⁶

The request was heard by the chairman and one member of the Board on the same authority as that asserted in the Subpoena

170. *Id.*

171. *See* CNN Am., Inc., 353 N.L.R.B. 891, 895 (2009) (Subpoena Decision). The Subpoena Decision was issued by Board Chairman Liebman and Member Schaumber. *Id.* at 891. They noted that, in December 2007, Board members whose terms were about to expire had delegated their authority to the Chairman, Member Schaumber, and a third member. *Id.* at 891 n.1. As a quorum of that three-member group, the Chairman and Member Schaumber stated that they had authority to issue the decision. *Id.*

172. *Id.* at 895.

173. *See* CNN Am., Inc., 352 N.L.R.B. 675 (2008). Judge Amchan issued a decision on the complaint in November 2008. CNN Am., Inc., N.L.R.B. Nos. 5-CA-31828 and 5-CA-33125, JD-60-08, 2008 WL 6524258 (Nov. 19, 2008). In a footnote, he referred to the General Counsel’s subpoena and stated that to his knowledge the controversy over the subpoena had not been resolved. *Id.* at 3 n.2. The Board, acting through three members, affirmed and adopted, in large part, ALJ Amchan’s decision. CNN Am., Inc., 361 N.L.R.B. No. 47, at *1 n.1 (Sept. 15, 2014). The 2014 decision was issued after the Supreme Court’s recess appointments decision in *National Labor Relations Board v. Canning*, 134 S. Ct. 2550 (2014), and after the Board was properly reconstituted. In response to a Board motion to correct items in the decision and a CNN motion for reconsideration, the Board issued an order amending in part the 2014 decision. CNN Am., Inc., 362 N.L.R.B. No. 38, at *1–2 (Mar. 20, 2015). CNN filed a petition for review in the U.S. Court of Appeals for the District of Columbia Circuit. Petition for Review, CNN Am., Inc., No. 15-1209 (D.C. Cir. filed July 9, 2015). The Board filed an application for enforcement in the same court. Those appeals have been consolidated. *See* Order Consolidating Cases, CNN Am., Inc., Nos. 14-1180, 15-1112, 15-1209 (D.C. Cir. July 10, 2015).

174. CNN Am., Inc., 352 N.L.R.B. at 675.

175. *Id.*

176. *Id.*

Decision.¹⁷⁷ The Board granted the request to appeal.¹⁷⁸ The Board observed that the information requested was clearly relevant to the matters at issue.¹⁷⁹ On the other hand, it noted that, given the comprehensive nature of the issues and the fact that ESI was involved, CNN's arguments that production of the information would be oppressive and disruptive were plausible.¹⁸⁰ It was therefore necessary to balance the conflicting interests of the parties.¹⁸¹ The Board found "that such a balance can best be struck by applying the Federal Rules of Civil Procedure and utilizing *The Sedona Principles* as a useful structure for analysis."¹⁸² The matter was remanded for resolution by an administrative law judge who was to be appointed as a special master by the chief ALJ.¹⁸³ The special master was to "work with the parties . . . using the framework set forth in the *Sedona Principles* for guidance."¹⁸⁴ As to any issues that could not be resolved, the special master was to make recommendations to the Board.¹⁸⁵

The special master, ALJ Buxbaum, filed a report and recommendations on December 1, 2008.¹⁸⁶ He described his attempts to negotiate a resolution which he said led to the General Counsel's withdrawal of his subpoena except those parts that sought the production of documents identified in certain CNN privilege and redaction logs.¹⁸⁷ The Unions then conformed their requests to the revised requests of the General Counsel.¹⁸⁸ CNN continued to object to the reduced revised subpoena requests.¹⁸⁹ As to the revised requests, the special master made the following findings. CNN's position that the subpoenas should be reviewed as originally made, not as revised, was without merit.¹⁹⁰ The fact that the revised requests were limited to items listed on CNN privilege logs was

177. *Compare CNN Am., Inc.*, 352 N.L.R.B. at 675, 677, with *CNN Am., Inc.*, 353 N.L.R.B. at 891, 892.

178. *CNN Am., Inc.*, 352 N.L.R.B. at 677–78.

179. *Id.* at 676.

180. *Id.*

181. *Id.*

182. *Id.*

183. *Id.* at 678.

184. *Id.* at 676.

185. *Id.*

186. *See* Attachment, *CNN Am., Inc.*, 353 N.L.R.B. 891, 895–904 (2009).

187. *Id.* at 896–97.

188. *Id.*

189. *Id.* at 897.

190. *Id.* at 897–98.

significant because those materials had already been located and reviewed by CNN's attorneys.¹⁹¹

"At the outset," the special master stated that a party attempting to avoid a Board subpoena had the burden of showing that compliance would be unduly burdensome or oppressive.¹⁹² Further, Federal Rule of Civil Procedure 26(b)(2)(C)(iii) and the Sedona Principles would limit discovery only when any such undue burden outweighed the benefit that would be attained from allowing the discovery, as demonstrated by "the needs of the case, the amount in controversy, the parties' resources, the importance of the issues at stake in the action, and the importance of the discovery in resolving the issues."¹⁹³ The special master found that the limited information sought by the General Counsel and the Unions was of "the utmost importance" to the proceeding.¹⁹⁴ While the parties had not addressed it, it was clear that the amount of money at issue in the proceeding would be "very large."¹⁹⁵ Although CNN had submitted particulars about cost of compliance, those were based on the original subpoenas, not the severely limited revised versions.¹⁹⁶ Additionally, the matters in question were "of far-reaching importance," and the information requested went "directly to the heart of the controversy."¹⁹⁷

Looking to the Sedona Principles, the special master also examined the "technological feasibility" of responding to the subpoenas.¹⁹⁸ CNN had only mentioned this point with respect to ESI backup tapes it had saved for disaster retrieval purposes.¹⁹⁹ The special master ruled that revision of the subpoenas was "an implicit withdrawal of any demand for material on backup tapes."²⁰⁰ The Principles also endorsed an appraisal of the "nature of the litigation."²⁰¹ The special

191. *Id.* at 898–900.

192. *Id.* at 900 (quoting CNN Am., Inc., 352 N.L.R.B. 675, 676 (2008)).

193. *Id.* (citing FED. R. CIV. P. 26(b)(2)(C)(iii); THE SEDONA CONFERENCE, THE SEDONA PRINCIPLES: BEST PRACTICES RECOMMENDATIONS & PRINCIPLES FOR ADDRESSING ELECTRONIC DOCUMENT PRODUCTION 35 (2d ed. 2007)).

194. *Id.*

195. *Id.* at 901.

196. *Id.*

197. *Id.*

198. *Id.* at 902 (quoting THE SEDONA CONFERENCE, *supra* note 193, at 35, 42, 185–86).

199. *Id.*

200. *Id.* He also considered the Sedona tenet that determining what production was required should take account of metadata. *Id.* (quoting THE SEDONA CONFERENCE, *supra* note 193, at 185–86). In this case, however, where CNN had not raised the issue and the General Counsel and the Unions had revised their requests, he recommended that the Board "refrain from altering the scope of the demand regarding metadata." *Id.*

201. *Id.* (quoting THE SEDONA CONFERENCE, *supra* note 193, at 35).

master pointed out that Board litigation was unique in that it did not provide for “the complex rules of civil discovery.”²⁰² While the original subpoenas might have been problematic in these circumstances, the revised subpoenas were “consistent with the nature of [Board] litigation.”²⁰³ Thus, assessing the subpoenas in light of the standards in Fed. R. Civ. P. 26 and the Sedona Principles, CNN had failed to show that furnishing the information sought would be so burdensome or expensive as to outweigh the benefit that would be attained by their production.²⁰⁴ The special master advised the Board to accept the revisions to the subpoenas made by the General Counsel and the Unions; to find that CNN had failed to meet its burden of persuasion; and to order CNN to identify the items on its privilege and redaction logs in response to the subpoenas and submit them to the ALJ for *in camera* inspection.²⁰⁵

Following completion of the special master report, the Board issued a notice to show cause why the report should not be accepted in its entirety, and the parties submitted responses.²⁰⁶ After *de novo* review, the Board, through the chairman and one member, made clear that it viewed the subpoenas as they had been revised and not as they had been originally submitted, and reiterated that CNN had not made the requisite showing as to the revised subpoenas.²⁰⁷ Contrary to CNN’s argument, the subpoena controversy was not moot because the ALJ decision on the merits was not final and the record could be reopened.²⁰⁸ Further, the special master had not exceeded his mandate and had acted in conformance with the Board’s directives.²⁰⁹ The Board adopted the findings and recommendations of the special master in the Subpoena Decision.²¹⁰

202. *Id.* at 903.

203. *Id.*

204. *Id.* Requiring CNN to produce the information would not significantly disrupt its business operations. *Id.*

205. *Id.* at 903–04.

206. *CNN Am., Inc.*, 353 N.L.R.B. at 891–92.

207. *Id.* at 894–95.

208. *Id.* at 895.

209. *Id.*

210. *Id.* As noted above, the Subpoena Decision affirming ALJ Buxbaum was issued by two members of the Board. See *supra* note 171. Previously, the NLRB web site indicated that two-member decisions had been called into question by the Supreme Court in *New Process Steel, L.P. v. National Labor Relations Board*, 560 U.S. 674, 687–88 (2010) and listed those decisions. The status of the CNN matter was said to have been “In Process.” Those pages no longer appear to be available on the NLRB website. It is not clear what effect *New Process* has had or will have on the Subpoena Decision. However, whatever has happened or happens with respect to the Subpoena

Union allegations of unfair labor practices led to an NLRB investigation and then a Board proceeding regarding the allegations.²¹¹ The NLRB sent CNN a sweeping subpoena *duces tecum* that included requests for ESI, as did the Unions.²¹² It is not entirely clear, but the Board's subpoena appears to have been issued as part of its investigation.²¹³ It is noteworthy that the Board began by referencing decisions on the use of subpoenas in agency investigations but then directed its special master to use sources relevant to discovery disputes (the Federal Rules of Civil Procedure and the Sedona Principles) to analyze the ESI issue before it.²¹⁴ What the Board appeared to recognize is that it is the language of the statute authorizing subpoenas that is most relevant in these circumstances.²¹⁵ If the statute authorizes subpoenas without regard to whether they would be used in an investigation or in discovery, precedent regarding both uses would seem to be relevant.²¹⁶

*D. Re: Petition to Limit or Quash Subpoena Duces Tecum Dated March 10, 2011 Directed to W.L. Gore & Associates, Inc.*²¹⁷
Federal Trade Commission

In November 2010, the Federal Trade Commission (FTC or Commission) began a non-public investigation of W.L. Gore & Associates Inc. (Gore).²¹⁸ The Commission was looking at whether

Decision, it would still be an example of how an agency approached an ESI discovery issue and attempted to resolve it.

211. *CNN Am., Inc.*, 353 N.L.R.B. at 891.

212. *Id.*

213. *See id.* The hearing on the unfair labor practices went forward while the dispute over the subpoenas was being evaluated by the Board and special master. *Id.*

214. *Id.*

215. *Id.* at 891, 894–95.

216. The Board has looked to the statute authorizing NLRB investigations and essentially determined that it does not distinguish between investigations and discovery. *See id.* at 894; *see also* *NLRB v. Carolina Food Processors, Inc.*, 81 F.3d 507, 512 (4th Cir. 1996) (“Carolina Food next asserts that the Board issued the subpoenas not for legitimate investigatory purposes, but rather as a means of pretrial discovery. We agree with the Fifth Circuit that this contention is ‘frivolous.’ Section 161(1) [of 29 U.S.C.] clearly provides that the Board shall have access to employer records ‘at all reasonable times,’ whether the records belong to one merely ‘being investigated’ or to one already ‘proceeded against.’”) (quoting *NLRB v. G.H.R. Energy Corp.*, 707 F.2d 110, 114 (5th Cir. 1982)).

217. *W.L. Gore & Assoc., Inc.*, 151 F.T.C. 687, 687 (May 23, 2011) (response to petition to quash).

218. *W.L. Gore & Associates Inc.’s Petition to Limit or Quash Subpoena Duces Tecum Dated March 10, 2011*, at 3 [hereinafter *Petition to Limit or Quash Subpoena*], *W.L. Gore & Assoc., Inc.*, 151 F.T.C. 687 (May 23, 2011) (No. 101-0207).

Gore had or “may have engaged in conduct in violation of Section 5 of the Federal Trade Commission Act (Act), 15 U.S.C. § 45, by ‘restricting competition’” for certain water repellant and waterproof items.²¹⁹ As part of the investigation, it sent Gore a subpoena *duces tecum* in March 2011.²²⁰

Section 5 of the Act declares that unfair methods of competition are unlawful and authorizes the Commission to prevent persons and entities from using “[u]nfair methods of competition in or affecting commerce.”²²¹ The FTC is empowered to “gather and compile information concerning, and to investigate [persons and entities] . . . engaged in or whose business affects commerce.”²²² Its regulations regarding compulsory process provide for the issuance of subpoenas, define electronically stored information, and describe how recipients are to respond.²²³ Possible responses include petitions to quash or limit investigational subpoenas.²²⁴

Gore filed a petition to quash or limit the subpoena *duces tecum* on April 15, 2011.²²⁵ It stated that the subpoena called for a “complete search of all the files of the Company” and sought virtually “all documents relating to the development, manufacturing, sales, or marketing of Gore’s Fabrics Division for the last ten years.”²²⁶ Such a request was, in Gore’s view, outrageously burdensome and overly broad.²²⁷ By letter dated May 23, 2011, the Commission, through its delegate Commissioner Brill, denied the Petition and ordered Gore to produce the documents that had been requested by June 7, 2011.²²⁸

The Commissioner began by stating that Gore’s principal argument was that the subpoena was unduly burdensome.²²⁹ Gore claimed that responding to the subpoena would involve furnishing “documents from over 1,500 employees,” and that 1.3 terabytes of data would have to be searched requiring thousands of hours of work and about

219. *Id.*

220. *W.L. Gore & Assocs., Inc.*, 151 F.T.C. at 687.

221. 15 U.S.C. § 45(a)(1) (2012).

222. *Id.* § 46(a).

223. 16 C.F.R. § 2.7 (2015).

224. FED. TRADE COMM’N, OPERATING MANUAL ch. 3, § .3.6.7.5.7.

225. *W.L. Gore & Assocs., Inc.*, 151 F.T.C. at 688.

226. Petition to Limit or Quash Subpoena, *supra* note 218, at 4.

227. *Id.* at 13. It also argued that some of the documents responsive to the request were likely privileged and that it was willing to make a limited production of documents and to continue to negotiate with FTC staff. *Id.* at 12–13.

228. *W.L. Gore & Assocs., Inc.*, 151 F.T.C. at 687.

229. *Id.* at 689.

ten million dollars.²³⁰ It also asserted that, because the subpoena asked for documents going back to 2001, it would have to search archived materials of employees who had left the company.²³¹ Because production was required to be current within 14 days of compliance, Gore would have to deal with an unusually large number of documents.²³² And, the number of documents made preparation of a privilege log onerous.²³³

The standard for finding a demand unduly burdensome in an administrative investigation is whether it threatened to unreasonably disrupt or hinder normal business operations.²³⁴ A burden that results from the contemplated or inevitable costs of responding to an investigation cannot be considered undue.²³⁵ Nor can a burden that results from a company's chosen manner of operation.²³⁶ Gore's reliance on cases interpreting the Federal Rules of Civil Procedure was misplaced because federal civil actions and those Rules serve entirely different purposes than an administrative investigation.²³⁷

Gore did not demonstrate that it would suffer an undue burden in responding to the subpoena.²³⁸ There is a presumption that responses to Commission subpoenas will advance the agency's investigations and that such subpoenas should be enforced.²³⁹ It is only when the "normal operations of a business" would be adversely affected that the presumption will be overcome.²⁴⁰ Gore must have expected that it would experience some degree of burden in responding to an investigation and should have expected that the size of its business and the inclusive nature of the investigation would make demonstrating that the burden was inordinate more difficult.²⁴¹

It was particularly telling that, although Gore attempted to rely on the problems associated with finding and providing ESI, it did not offer the Commission any detailed information about its electronically stored information or how it was kept.²⁴² Nor did it provide any proposals for reducing the scope of the subpoenas such

230. *Id.* at 689–90.

231. *Id.* at 690.

232. *Id.*

233. *Id.*

234. *Id.*

235. *Id.* at 690–91.

236. *Id.* at 691.

237. *Id.* at 690–92.

238. *Id.* at 692.

239. *Id.*

240. *Id.* (quoting *FTC v. Church & Dwight Co.*, 747 F. Supp. 2d 3, 8 (D.D.C. 2010)).

241. *Id.* at 692–93.

242. *Id.* at 693–94.

as limiting the custodians involved or narrowing the time frames.²⁴³ It did not offer keywords that might be used in searching, or suggest predictive coding or concept searches.²⁴⁴ Commissioner Brill concluded that Gore had failed to prove an undue burden.²⁴⁵ Gore requested that the full Commission review the May 23, 2011 ruling.²⁴⁶ The full Commission affirmed Commissioner Brill's earlier ruling.²⁴⁷

In this proceeding, the subject of an investigation, Gore, moved to quash an FTC subpoena.²⁴⁸ Gore argued that compliance would be unduly burdensome, citing cases on discovery under the Federal Rules of Civil Procedure.²⁴⁹ The FTC disagreed, finding that body of law inapplicable to agency investigations.²⁵⁰ The Commission went on to rule that Gore had not demonstrated that fulfilling the subpoena would hinder or disrupt its normal business operations.²⁵¹ The agency stated that Gore should have taken into consideration any analytical software that might have facilitated its review of ESI and discussed that in its motion to quash.²⁵² Further, Gore should have discussed the nature and status of its ESI and made appropriate suggestions on how it might be able to comply without undue burden.²⁵³ The FTC did not cite a statute or rule on the latter points. Its strict distinction between discovery and the gathering of information in administrative investigations differs in that respect from the NLRB's decision in the *CNN America* matter.²⁵⁴

243. *Id.*

244. *Id.* at 694.

245. *Id.*

246. Request For Full Commission Review of Letter Ruling Denying W.L. Gore & Associates Inc.'s Petition to Limit or Quash Subpoena Duces Tecum Dated March 10, 2011 at 2, W.L. Gore & Assocs., Inc., 151 F.T.C. 697 (May 27, 2011) (No. 101-0207).

247. W.L. Gore & Assocs., Inc., 151 F.T.C. 697, 697 (June 27, 2011) (response affirming denial of petition to quash).

248. *See supra* note 225 and accompanying text.

249. *See supra* note 229 and accompanying text.

250. *See supra* note 237 and accompanying text.

251. *See supra* notes 238–42 and accompanying text.

252. *See supra* note 242 and accompanying text.

253. *See supra* notes 243–44 and accompanying text.

254. *Compare* W.L. Gore & Assocs., Inc., 151 F.T.C. 687, 691 (May 23, 2011) (response to petition to quash) (“[S]ubpoenas in administrative investigations should be treated differently from subpoenas for discovery . . .”), *with* CNN Am., Inc., 353 N.L.R.B. 891 (2009) (Subpoena Decision) (the special master was to apply, among other things, the Federal Rules of Civil Procedure); *see also* Frito-Lay N. Am., Inc. v. Princeton

*E. In the Matter of Certain Electronic Imaging Devices*²⁵⁵
International Trade Commission

In May 2012, FlashPoint Technologies, Inc. filed a complaint with the International Trade Commission (ITC or Commission) alleging violations of the Tariff Act of 1930.²⁵⁶ On June 29, 2012, the ITC issued a notice that it would investigate the allegations.²⁵⁷ As proceedings moved forward, FlashPoint requested a protective order limiting the discovery of ESI.²⁵⁸

On the merits, FlashPoint asserted that eight corporate entities had violated § 337 of the Tariff Act.²⁵⁹ That section prohibits the importation, the sale for importation, or the sale in the United States after importation of products that infringe patents.²⁶⁰ The Commission has been directed to investigate claimed violations of § 337.²⁶¹ In doing so, it is authorized to summon witnesses and to require persons and entities to produce books or papers.²⁶² ITC investigations “are conducted in conformity with the Administrative Procedure Act, 5 U.S.C. §§ 551 *et seq.*, and pursuant to Commission Rules published at 19 C.F.R. Part 210.”²⁶³

Vanguard, LLC, 100 U.S.P.Q.2d (BNA) 1904, 1910 (T.T.A.B. 2011) (using the standard derived from the Federal Rules of Civil Procedure).

255. Certain Elec. Imaging Devices, Inv. No. 337-TA-726, USITC Pub. 4375 (Feb. 2013) (Final).

256. Certain Elec. Imaging Devices, 77 Fed. Reg. 38,829 (Int’l Trade Comm’n June 29, 2012) (investigation notice).

257. *Id.*

258. Certain Elec. Imaging Devices, Inv. No. 377-TA-850 (Int’l Trade Comm’n Nov. 19, 2012), 2012 WL 5881783, at *1 (Final).

259. Certain Elec. Imaging Devices, 77 Fed. Reg. at 38,829. The original respondents were HTC Corporation, HTC America, Inc., Pantech Co., Ltd., Pantech Wireless, Inc., Huawei Technologies Co., Ltd., FutureWei Technologies, Inc., ZTE Corporation, and ZTE (USA) Inc. *Id.* Huawei Device Co., Ltd. and Huawei Device USA Inc. were later substituted for Huawei Technologies Co., Ltd. and FutureWei Technologies, Inc. Certain Elec. Imaging Devices, Inv. No. 337-TA-850 (Int’l Trade Comm’n Sept. 30, 2013), 2013 WL 5956227, at *4 (initial determination). Section 337 is codified at 19 U.S.C. § 1337 (2012).

260. 19 U.S.C. § 1337(a)(1)(B). The patents at issue in the investigation were U.S. Patent No. 6,400,471 (‘471 Patent), U.S. Patent No. 6,222,538 (‘538 Patent), U.S. Patent No. 6,504,575 (‘575 Patent), and U.S. Patent No. 6,223,190 (‘190 Patent). Certain Elec. Imaging Devices, 77 Fed. Reg. at 38,829.

261. 19 U.S.C. § 1337(b).

262. *Id.* § 1333(a). Any member of the Commission may issue subpoenas. *Id.*

263. U.S. INT’L TRADE COMM’N, PUB. NO. 4105, SECTION 337 INVESTIGATIONS: ANSWERS TO FREQUENTLY ASKED QUESTIONS 17 (2009). Sections 210.27 through 210.34 of 19 C.F.R. permit the parties to an investigation to “obtain discovery,” and go on to state the scope of such discovery and its limitations.

Pursuant to ITC Rule 210.34(a),²⁶⁴ FlashPoint proposed a maximum of fifteen FlashPoint email custodians for all of the respondents with the possibility of adding custodians if there was a good faith basis for doing so.²⁶⁵ The two HTC respondents (referred to together as HTC) opposed the proposal arguing that a limit on the number of FlashPoint custodians would be detrimental to them.²⁶⁶ An ITC ALJ granted FlashPoint's proposal in part.²⁶⁷

HTC asserted that restricting the number of FlashPoint email custodians would impair it in substantiating its defenses of on-sale bar and implied license.²⁶⁸ A FlashPoint patent, No. 6,163,816 ('816 Patent), had been invalidated by an on-sale bar.²⁶⁹ HTC claimed that because the '816 Patent and the patents that were the subject of this investigation had resulted from work done under the same project, the latter patents might also be susceptible to an on-sale bar defense.²⁷⁰ There were, in HTC's view, a number of potential custodians of correspondence about past sales of the patents at issue.²⁷¹ In declining to accept these arguments, the ALJ stated that any evidence of a relationship between the '816 Patent and the patents at issue was too tenuous to support the argument that the patents were connected with the same sales activities.²⁷² The fact that HTC might discover an on-sale bar was not sufficient to justify the "undue burden and expense" that unlimited discovery would entail.²⁷³

The implied license defense was based on a claim that HTC was a customer of a FlashPoint licensee.²⁷⁴ HTC alleged that correspondence relevant to this defense had been sent to "multiple potential custodians."²⁷⁵ The judge ruled that even if there were additional custodians with pertinent materials, the fifteen custodians

264. The Rule provides that an administrative law judge may issue any order "that may appear necessary and appropriate for the protection of the public interest or that justice requires to protect a party or person from annoyance, embarrassment, oppression, or undue burden or expense." 19 C.F.R. § 210.34(a) (2015).

265. *Certain Elec. Imaging Devices*, Inv. No. 377-TA-850 (Int'l Trade Comm'n Nov. 19, 2012), 2012 WL 5881783, at *1 (Final).

266. *Id.*

267. *Id.* at *2.

268. *Id.* at *1.

269. *Id.*

270. *Id.*

271. *Id.* at *2.

272. *Id.*

273. *Id.*

274. *Id.* at *1.

275. *Id.* at *2.

presently allowed would either provide HTC with the facts it suspects exist or they would yield enough to allow HTC to make a good faith request for more custodians.²⁷⁶ He stated that if HTC found enough to justify such a request, he expected FlashPoint to cooperate with HTC.²⁷⁷ And, if negotiations with FlashPoint were unsuccessful, HTC could file another motion with the ALJ.²⁷⁸

On the complaint of FlashPoint, the ITC began an investigation under § 337 of the Tariff Act.²⁷⁹ Shortly thereafter, FlashPoint requested a protective order limiting the discovery of ESI.²⁸⁰ The Commission granted the motion.²⁸¹ In apparent contrast to what the FTC did in the Gore matter, the ITC did not distinguish between the principles governing information gathering in an agency investigation and those governing discovery as part of an agency adjudication.²⁸² This was consistent with the ITC Rules which, even as to investigations, spoke only of discovery.²⁸³ It is also noteworthy that the ITC Rules were amended in 2013 to specifically address electronically stored information.²⁸⁴

CONCLUSION

The decisions discussed above are examples of what some federal agencies have done with respect to electronically stored information. While recognizing some common principles, they have looked to their own enabling statutes, their own procedures, and their own rules to resolve ESI issues in distinctive ways. It seems reasonable to

276. *Id.*

277. *Id.* at *2 n.3. The ALJ also noted that the ITC was in the process of amending its rules to limit electronic discovery. *Id.* at *2 n.2. The notice of proposed rulemaking was issued on October 5, 2012, 77 Fed. Reg. 60,952, and published as a final rule, after the ALJ's decision, on May 21, 2013, 78 Fed. Reg. 29,618. The proposed and final changes are consistent with the Commission's November 2012 decision. In addition, the judge had begun using a new model order that restricted the discovery of ESI. *Certain Elec. Imaging Devices*, 2012 WL 5881783 at *2 n.2. HTC's position was inconsistent with the objective of balancing the need for broad discovery with the high cost of such discovery. *Id.*

278. *Id.* at *2. The protective order issued by the ALJ (which was partly redacted) included language protecting metadata from release under certain circumstances. *Id.* at *3 (Attachment A: Protective Order).

279. *See supra* notes 256, 259–61 and accompanying text.

280. *See supra* note 258 and accompanying text.

281. *Certain Elec. Imaging Devices*, 2012 WL 5881783, at *2.

282. *Cf. supra* notes 234–50 and accompanying text.

283. *See supra* note 263 and accompanying text.

284. *See supra* note 277.

expect that as other agencies address ESI, they will engage in a similar process.

